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Gallup-McKinley County Schools
640 S. Boardman
Gallup, New Mexico 87301

Re: Response to Legislative finance committee meeting with PED secraty, and GMCS Statement on State Education Funding

To the Members of the Board, District Leadership, and Superintendent Jvanna Hanks II,

I am writing in response to Gallup-McKinley County Schools' December 13, 2025 public statement following the December 11, 2025 meeting of the Legislative Finance Committee, during which the Public Education Department presented its budget request and disclosed a \$35 million shortfall in the State Equalization Guarantee. That shortfall was directly attributed to Gallup-McKinley County Schools continuing to receive SEG funding for students who are no longer enrolled in or educated by your district. Given the seriousness of the fiscal impact on the state's public education system and the public assertions made by GMCS in response to that meeting, it is necessary to clarify both the ethical implications of this situation and the statewide consequences of the district's refusal to allow funding to follow the students being educated elsewhere. Let me be clear: while your statement relies heavily on technical interpretations of statute and timing, it fails to address the fundamental issue at hand — the moral obligation to ensure that public education dollars follow the children actually being educated.

At present, Gallup-McKinley County Schools continues to receive SEG funding for thousands of students who are no longer enrolled in, taught by, or served by your district. Those students are now being educated by other school districts that have taken on the real and immediate instructional costs. The result is not merely a bookkeeping dispute — it is a double payment for the same students, paid for by every other school district in New Mexico.

You may argue that the funding formula technically allows this outcome. That argument misses the point.

The SEG was never designed to be exploited, and it was certainly never intended to reward a district for retaining funds tied to students it no longer educates. The formula is built on trust: trust that districts will act in good faith, that state agencies will adjust responsibly, and that public education leaders will place students — not balance sheets — first.

By refusing to voluntarily return or reconcile these funds, Gallup-McKinley County Schools is forcing the Public Education Department to readjust the SEG statewide in January 2026. That adjustment will not be abstract. It will result in an across-the-board reduction in per-student unit value, impacting every district in New Mexico — including small rural schools, tribal communities, and districts already stretched thin. In short, your decision shifts the burden of this situation onto students and educators statewide.

You do, in fact, have the ability to help resolve this problem.

You can choose to work cooperatively so that funding follows the child being educated. Or you can choose to stand behind technicalities, grandstand publicly, and accept responsibility for the very real statewide consequences that follow — including reduced funding per child across New Mexico.

I also want to address a broader concern raised by this situation. The SEG funding system was never designed to allow districts to offload their instructional responsibility through large-scale shifts to online education while continuing to draw full in-person funding levels. Virtual education can be an important tool, but it cannot become a mechanism to distort enrollment counts, avoid accountability, or undermine the equity principles at the core of our funding system.

Public education is a public trust. That trust requires more than legal defensibility — it requires ethical leadership.

I urge Gallup-McKinley County Schools to reconsider its position, engage constructively with PED and the Legislature, and take responsibility for resolving this issue in a way that does not harm students across the state. Doing so would demonstrate leadership, not weakness.

New Mexico's children — all of them — deserve nothing less.

Sincerely,

George K. Muñoz